



Indiana Department of Education
SUPPORTING STUDENT SUCCESS

2009 School Budget Workshop

August 2009

Agenda

- ▶ New Legislation
- ▶ Qualified School Construction Bonds
- ▶ Circuit Breaker Replacement Levy
- ▶ Forms

Legislative Update

- ▶ Allows Covington Community School Corp. to borrow funds from the Board of Finance before June 30, 2010.
- ▶ Allows school corporations to elect to provide health care service coverage for active and retired employees of the school corporation through the State.
 - ▶ State does not pick up any of the costs.
 - ▶ The coverage offered must be the same as the coverage provided to active/retired state employees under the state plan.

Legislative update

- FY budgets for schools take effect for budget years beginning after 6/30/11.
- Allows Rainy Day Fund loans for taxing units affected by Transmission Manufacturers Bankruptcy.
- Eliminates requirement for school ratio study, except for counties receiving a supplemental county levy (Lake and Dearborn).

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Legislative update

- Before 1/1/11, requires Prairie Township School to reorganize by consolidating with an adjacent school.
- Requires school corporations to notify teacher of nonrenewal of contract in writing, delivered in person or by certified/registered mail on or before June 1 in an even-numbered year and the later of June 15 or the date the budget is enacted by the General Assembly in an odd-numbered year.

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Legislative update

- Defines a Virtual Charter Schools as one that provides delivery of more than 50% of instruction through virtual distance learning; online technologies; or computer based instruction.
- Pilot program to provide funding for 200 students for school year ending 2010 and 500 students for school year ending in 2011.

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Legislative update

- ▶ **Allows Charter School, including non-conversion charter schools that has received an advance for operational purposes from the common school loan fund to waive principal and interest payments during state fiscal years beginning 7/1/09 and 7/1/10.**
- ▶ **Must sign a new agreement for the repayment term of the loan.**
- ▶ **The loan still accrues interest during the two-year waiver period.**

Legislative Update

- ▶ **Eliminates the new facility appeal (NFA)**
 - ▶ **Repeals the NFA from the state tuition support funding formula.**
- ▶ **Requires unencumbered balances in a school's special education pre-school funds be transferred to the school corporation's general fund as soon as practicable after January 1, 2009 and before January 1, 2010.**
- ▶ **Special education pre-school funding moves to the Special Education Grant in the school funding formula.**
 - ▶ **Use Revenue Account 5200 (for the transfer from special education pre-school fund to the general fund)**
- ▶ **For any loan under the counter-cyclical revenue and economic development fund (rainy day fund), Brown Co. Schools is not required to make principal or interest payments during state fiscal years beginning: July 1, 2009 and July 1, 2010.**

Legislative Update

- ▶ **Allows charter school to be eligible for education technology plan grants**
- ▶ **Requires the DOE to use the common school loan fund interest balance to provide state matching funds for federal funding for the benefit of charter schools.**

Qualified School Construction Bonds

- \$177,761,000 for 2009
 - \$100,000,000 for bonds over \$2,000,000 but no larger than \$10,000,000
 - \$77,761,000 for bonds up to \$2,000,000
- In excess of 100 applications filed for an allocation award
- Total amount requested
- Total amount allocated
- Project types

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Circuit Breaker Replacement Levy

- A school corporation is eligible for a circuit breaker replacement grant only if the school corporation's total property tax revenue is expected to be reduced by more than 2% because of the application of circuit breaker credits.
 - Allowed for 2009 and 2010 losses based on assessment dates in 2008 and 2009.
 - Timing of distributions
 - Allocation of replacement funds

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Forms on-line

- Presentation
- 2009 Regular Summer School Final Report
- 2009-2010 PrimeTime Data
- 2009-2010 DOE-ME, DOE-SR, and Voc Ed Form 30A
- 2008-2009 Textbook Reimbursements
- Budgeting for a school corporation
- State Tuition Support Worksheet
- 2009-2010 Distribution Schedule
- Overview of State Tuition Support

Link:

<http://www.doe.in.gov/finance/09BudgetWorkshop.html>

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Memoranda already distributed

- Debt Service Levy for Unreimbursed Textbook Expense
- Summer School
- Full Day Kindergarten
- Consolidated Purchasing Survey
- Form 9 Bi-Annual Financial Report
- Annual Financial Report

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